

ORTIZ & ORTIZ, LLP
32-72 Steinway Street, Suite 402
Astoria, New York 11103
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Norma E. Ortiz
email@ortizandortiz.com
Attorneys for Landlord Grandfield Realty Corp.

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

----- X

In re

Case No. 16-41371

BROOKLYN EVENTS LLC,

Chapter 11

Debtor.

----- X

OBJECTION TO DEBTOR'S NOTICE OF PROPOSED CURE AMOUNT

Grandfield Realty Corp. ("Landlord"), by and through its undersigned attorneys, Ortiz & Ortiz, LLP, hereby objects (the "Objection") to the Notice of (I) Potential Assumption Assignment and/or Transfer of Unexpired Lease, (II) Fixing of Cure Amount, and (III) Deadline to Object Thereto (the "Cure Notice") dated June 9, 2016, provided by Brooklyn Events LLC (the "Debtor"). In support of its Objection, Landlord states as follows:

BACKGROUND

1. The Debtor owns and operates a nightclub that does business under the name Verboten. The Debtor filed its voluntary Chapter 11 petition on March 16, 2016, after the New York State Department of Taxation forced the Debtor to cease operations because of its unpaid New York sales tax obligations.

2. The Debtor operates the nightclub pursuant to a lease it entered into with the Landlord dated February 15, 2012 (the "Lease"). The lease requires the Debtor to, among

other things, pay the Landlord base rent and additional rent, and ensure that the premises remain free of mechanics liens. The Lease clearly states that the Debtor is obligated to compensate the Landlord for the legal fees and costs it incurs as a result of the Debtor's default under the Lease.¹

3. The Debtor defaulted under a number of the terms of the Lease, including non-payment of rent, and the Landlord was forced to commence a non-payment proceeding against the Debtor in Kings County Civil Court under Index No. LT-102372-15/KI in December 2015. A trial was conducted, but no judgment was entered before the Debtor filed its bankruptcy petition.

4. The Debtor moved the Court for an order permitting it to sell and assign the Lease. On June 6, 2016, the Court entered an order (the "Bidding Procedures Order") that set forth, among other things, the procedures for the assumption and assignment of the Lease. Pursuant to that order, the Debtor has provided the Landlord with the Cure Notice, and asserts that there are no funds needed to cure the monetary defaults under the Lease before the Lease is assumed and assigned to any proposed purchaser.

5. The Debtor failed to pay pre-petition rent and additional rent for the January, February, and March of 2016. The Debtor has failed to pay any rent and additional rent since the bankruptcy petition was filed. The Landlord has incurred legal fees as a result of the Debtor's default and bankruptcy filing, and is entitled to recover those fees and costs under the Lease. In addition, mechanics liens have been filed against the Landlord's property as a result of work performed by the Debtor. The Debtor is responsible to satisfy those liens, or dispose of them,

¹ The Debtor is in possession of the Lease; a copy is available upon request and not attached hereto.

under the Lease. Annexed as Exhibit A is a summary of the amounts due under the Lease to the Landlord, for both pre-petition and post-petition unpaid charges. Based upon the foregoing, the proper cure amount is \$233,639.63.

OBJECTION

6. The Debtor is in default under the Lease and is required to cure all defaults before the Lease is assumed and assigned under 11 U.S.C. § 365. Section 365(b)(1) requires

Even after a court renders a determination on the debtor's business judgment in the context of the assumption of an unexpired lease, Section 365(b)(1) of the Code provides, in pertinent part, that if there has been a default under the lease, a debtor in possession ("DIP") may not assume the lease unless it: (A) cures, or provides adequate assurance that the [DIP] will promptly cure, such default . . .; and (C) provides adequate assurance of future performance under such . . . lease.

Androse Assocs. of Allaire, LLC v. A&P (In re A&P), 472 B.R. 666, 674 (S.D.N.Y. 2014). In

order to cure the defaults, and assume the Lease, the Debtor must

at the time of the assumption, comply with the three requirements of § 365(b)(1). First, the debtor must cure (or provide adequate assurance that it will promptly cure) the default. 11 U.S.C. § 365(b)(1)(A). Second, the debtor must compensate, or provide adequate assurance that the debtor will promptly compensate for any pecuniary loss to such party resulting from such default. 11 U.S.C. § 365(b)(1)(B). Third, the debtor must provide adequate assurance of future performance under the contract or lease. 11 U.S.C. § 365(b)(1)(C).

In re Rock 49th Rest. Corp., 2010 Bankr. LEXIS 1223, at *12-13 (Bankr. S.D.N.Y. Apr. 7, 2010).

Therefore, there is no question that in order to assume the Lease, the Debtor is required to comply with the terms of the Lease, and restore the Landlord to pre-default conditions, bringing the lease back into compliance with its terms. Id. (Citing In re DBSI, Inc., 405 B.R. 698, 704 (Bankr. D. Del. 2009)).

7. As set forth in Exhibit A, the Debtor's defaults consist of (1) unpaid pre-petition

and post-petition base and additional rent, (2) legal fees and related costs arising from the Debtor's default, (3) interest and administrative costs provided for in the Lease, and (4) the cost of filed mechanics liens against the Landlord's property. The additional rent includes water and sewer charges, real estate taxes, and inspection fees. The Lease also requires an additional deposit towards the security deposit paid previously by the Debtor.

8. For these reasons, the Landlord objects to the Debtor's proposed Cure Amount. Although the Debtor asserts that it has counter-claims against the Landlord that offset any amounts due, it fails to state the grounds for such an assertion. Moreover, the Debtor has not taken any steps to assert such counter-claims against the Landlord, and the Landlord believes this assertion is without merit. In addition, the Debtor can not possibly assert, in good faith, that it does not owe any amounts to the Landlord while it has occupied the space without payment since January of this year. The Court should not permit the Debtor to assume the Lease without assuring that it pays the proper cure amount of \$233,639.63.

RESERVATION OF RIGHTS

9. Since the Landlord has not received any financial information from any proposed bidder from the Debtor, it reserves its right to object if it does not receive adequate assurance of future performance by the successful bidder before the Court approves any proposed assumption and assignment of the Lease. Moreover, the Landlord shall incur additional costs related to the negotiation and possible litigation of the issues raised herein, and in connection with the Debtor's proposed assumption and assignment of the Lease. Therefore, the Landlord reserves its rights to amend the instant Objection, and/or the proposed cure amount, and to take any additional and further action in connection with the Debtor's proposed assumption and assignment of the Lease.

WHEREFORE, the Landlord requests that the Debtor's request be denied, and the Debtor be required to (a) pay the cure amount of \$233,639.63, and (b) provide the Landlord with adequate assurance of the any successful bidders ability to meet the terms of the Lease before the assumption and assignment are approved by the Court, and (c) granting such other and further relief as the Court deems just.

Dated: July 15, 2016
Astoria, New York

/s/Norma E. Ortiz
Norma E. Ortiz
ORTIZ & ORTIZ, L.L.P.
32-72 Steinway Street, Suite 402
Astoria, New York 11103
Tel. (718) 522-1117
Fax. (718) 596-1302
Counsel to Grandfield Realty Corp.

Exhibit A

Brooklyn Events LLC
Case No. 16-41371

Summary of Amounts Due to Cure Lease

As of July 15, 2016

Pre-Petition Rent	\$	98,111.64
Post-Petition Rent	\$	118,782.99
Robin Industries Lien	\$	6,000.00
AMR Electric Contracting Lien	\$	4,595.00
Legal Fees From June 3, 2016 to the Present	\$	6,150.00
Total Due	\$	233,639.63

Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013

Bill Date: 1/5/2016

Bill to : Brooklyn Events LLC
60 North 11th Street
Brooklyn, NY 11211
Attn.: Jen Schiffer

Total amount due from 12/3/2015 rent bill	\$47,082.47	
<u>Payments received:</u>		
12/15/15 deposited cashier's ck#1660305514 dated 11/30/15	-\$10,000.00	
12/21/15 deposited cashier's ck#1652608069 dated 12/15/15	-\$10,000.00	
12/3/2015 bill outstanding balance (see breakdown on page 2)		\$27,082.47
December 2015 base rent late charge		\$500.00
<u>Charge of outstanding base rent interest:</u>		
December interest on outstanding 10/2015 base rent ($\$7320.64 \times 15\% / 12$)	\$91.51	
December interest on outstanding 12/2015 base rent ($\$18576.36 \times 15\% / 12$)	\$232.20	
Total December interest on outstanding base rent		\$323.71
<u>9/3/15-12/3/15 water and sewer charges:</u>		
3-month water/sewer charges based on old water meter's average monthly charges of \$122.26 ($\122.26×3 months):	\$366.78	
	x 39%	
Tenant's 39% share of water/sewer charges based on old meter	\$143.04	
Tenant's own water/sewer usage:		
9/3/15-12/3/15 total water/sewer charges (see Page 3)	\$3,670.86	
Less: Average 3-month water/sewer charges based on old meter	(\$366.78)	
Tenant's own water/sewer usage charges	\$3,304.08	
9/3/15-12/3/15 total water/sewer charges (\$143.04 + \$3,304.08)		\$3,447.12
7/1/15-6/30/16 property tax half-year payment due 1/1/2016 (Page 4)	\$31,091.68	
	x 39%	
Tenant's 39% share of property tax due 1/1/2016		\$12,125.76
January 2016 base rent due 1/10/2016		\$18,576.36
Total amount due upon receipt		\$62,055.42

Please make check payable to "Grandfield Realty Corp."
Thank you for your prompt payment.

Page 2 - Breakdown of 12/3/2015 bill outstanding balance:

October 2015 base rent balance	\$7,320.64
October 2015 base rent late charge	\$500.00
October interest on outstanding base rent	\$267.74
11/20/15 returned NSF check #1876 bank fee	\$12.00
November interest on outstanding base rent	\$267.74
Fire sprinkler quarterly inspection charge Oct. 2016	\$138.00
December 2015 base rent	\$18,576.36
	<hr/>
Total	<u><u>\$27,082.47</u></u>

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ACCOUNT NUMBER	BILL DATE	PAYMENT DUE BY	AMOUNT DUE	AMOUNT ENCLOSED
10003-06090-001	Dec 11, 2015	Jan 8, 2016	\$ 3,670.86	\$

☐ Check for name/address change (See reverse side)

031100030609000112112015000003670863

*****AUTO**3-DIGIT 112

T37 P1 11250



A F L W 120 1000306090001 C

Make check payable to: NYC Water Board.
Please send payment in the
enclosed envelope to:

NYC WATER BOARD
PO BOX 11863
NEWARK, NJ 07101-8163

GRANDFIELD RLTY CORP
2675 E 86TH ST
BROOKLYN NY 11234-6848



PLEASE DETACH AND RETURN THIS PORTION WITH YOUR MAILED PAYMENT. PLEASE WRITE YOUR ACCOUNT NUMBER ON YOUR CHECK.

ACCOUNT NUMBER	BILL DATE	PAYMENT DUE BY	AMOUNT DUE	AFTER JAN 8, 2016 INTEREST CHARGES AT THE RATE OF 0.75% PER MONTH ARE INCLUDED.
10003-06090-001	Dec 11, 2015	Jan 8, 2016	\$ 3,670.86	

BILLING INFORMATION

Previous bill - Sep 11, 2015

\$3,678.14

Payment Received - Oct 7, 2015

Thank you

3,678.14-

PRIOR BALANCE

0.00

RATE: BASIC WATER AND SEWER

Water Number I15003979 From 9/3/15 To 12/3/15 Days 91
Read type ACTUAL Prior Read 248400 Current Read 285600 Usage 37200 Cubic Feet
37200 Cubic Feet = 372 Hundred Cubic Feet (HCF).

Total Usage 372 HCF
Water charge 1,417.32
Sewer charge 2,253.54

This bill reflects payments processed before Dec 11, 2015.
Your next bill date is scheduled for Mar 10, 2016.
Your meter(s) will be read during the preceding week.

Total amount due \$3,670.86

PLEASE PAY THIS AMOUNT \$3,670.86

Please see the back of the bill for an explanation of the rates.

Service Address:

60 N 11 ST
BROOKLYN NY 11249-1912

Please direct correspondence or calls to:

DEP/BCS CUSTOMER SERVICE
PO BOX 739055
ELMHURST, NY 11373-9055
(718) 595-7000

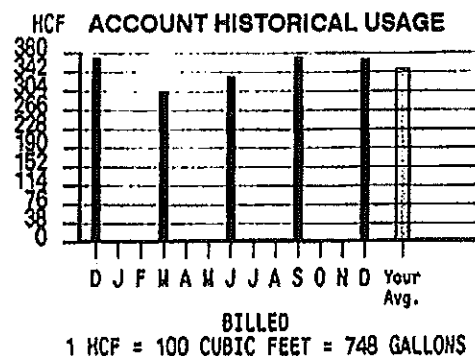
IMPORTANT MESSAGES

This billing period:

For meter I15003979
Your daily average usage = 4.09 HCF (3059 GALLONS)
Your daily average cost = \$ 40.34

SAVE TIME AND PAPER, VISIT NYC.GOV/DEP AND SIGN UP FOR
MONTHLY EBILLING TO RECEIVE A \$10 CREDIT TODAY.

TO LEARN MORE ABOUT THE CITY'S WORLD-CLASS WATER SYSTEM, FOLLOW
US ON FACEBOOK AT WWW.FACEBOOK.COM/NYCWATER OR TWITTER AT
WWW.TWITTER.COM/NYCWATER.





**Department of
Finance**

Statement Details

PAGE 4

November 20, 2015
Grandfield Rilly Corp.
54 N. 11th St.
3-02295-0009
Page 2

Billing Summary	Activity Date	Due Date	Amount
Outstanding charges including interest and payments			\$0.00
Finance-Property Tax		01/01/2016	\$31,255.50
Adopted Tax Rate			\$-163.82
Total amount due			\$31,091.68

How We Calculated Your Property Tax For July 1, 2015 Through June 30, 2016

Tax class 4 - Commercial Property	Tax rate		
Original tax rate billed June 2015	10.6840%		
New tax rate	10.6560%		
Estimated market value \$1,776,000	Billable assessed value	New Tax rate	Taxes
Tax before exemptions and abatements	\$585,090	X 10.6560%	= \$62,347
Tax before abatements			\$62,347
Annual property tax			\$62,347
Original property tax billed in June 2015			\$62,511
Change in property tax bill based on new tax rate			\$-164

If you own income producing property, you must file a Real Property Income and Expense Statement or a Claim of Exclusion unless you are exempt by law. The deadline to file is June 1, 2016. Failure to file will result in penalties and interest, which will become a lien on your property if they go unpaid. To see if you are exempt from this requirement and to learn more, please visit nyc.gov/rpie.

Home banking payment instructions:

1. Log into your bank or online bill pay website
2. Add the new payee: NYC DOF Property Tax. Enter your account number, which is your boro, block and lot, as it appears here: 3-02295-0009. You may also need to enter the address for the Department of Finance. The address is P.O. Box 680, Newark, NJ 07101-0680.
3. Schedule your online payment using your checking or savings account

Did your mailing address change?

If so, please visit us at nyc.gov/changemailingaddress or call 311.

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.



Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013

COPY

Bill Date: 2/2/2016

Bill to : Brooklyn Events LLC
60 North 11th Street
Brooklyn, NY 11211
Attn.: Jen Schiffer

Total amount due from 1/5/2016 rent bill (see breakdown on page 2)	\$62,055.42
January 2016 base rent late charge	\$500.00
<u>Charge of outstanding base rent interest:</u>	
January interest on outstanding 10/2015 base rent ($\$7320.64 \times 15\% / 12$)	\$91.51
January interest on outstanding 12/2015 base rent ($\$18576.36 \times 15\% / 12$)	\$232.20
January interest on outstanding 1/2016 base rent ($\$18576.36 \times 15\% / 12$)	\$232.20
Total January interest on outstanding base rent	\$555.91
Fire sprinkler quarterly inspection charge Jan. 16 (Page 3)	\$138.00
February 2016 base rent due 2/10/2016	\$18,576.36
Total amount due upon receipt	<u>\$81,825.69</u>

Please make check payable to "Grandfield Realty Corp."
Thank you for your prompt payment.

Page 2 - Breakdown of 1/5/2016 bill outstanding balance:

October 2015 base rent balance	\$7,320.64
October 2015 base rent late charge	\$500.00
October interest on outstanding base rent	\$267.74
11/20/16 returned NSF check #1876 bank fee	\$12.00
November interest on outstanding base rent	\$267.74
Fire sprinkler quarterly inspection charge Oct. 2015	\$138.00
December 2015 base rent	\$18,576.36
December 2015 base rent late charge	\$500.00
December interest on outstanding base rent	\$323.71
9/3/15-12/3/15 water/sewer charges	\$3,447.12
7/1/15-6/30/16 property tax due 1/1/2016	\$12,125.76
January 2016 base rent	<u>\$18,576.36</u>
Total	<u>\$62,055.42</u>

PAGE 3**Irwin Friedman & Son Inc**139 Banker Street
Brooklyn, NY 11222
1 (718)782-7150

friedmanplumbing@aol.com

P: 1 (718)782-7150

F: 1 (718)387-0320

Invoice 23383.0000

Monday, January 18, 2016

Page 1

FLAMAIR
Grandfield Realty Corp
c/o Yuk Leung Lok
2675 East 66th Street
Brooklyn, NY 11234

574.001

Grandfield Realty Corp-54 N 11th St
54 / 68 North 11th Street
Brooklyn, NY 11211

Your Order No:

Work Orders:

18054

Quarterly Fire Sprinkler Inspection / 2" Main Drain Test
 As per NYC Fire Department Code NFPA25
 Performed Quarterly Fire Sprinkler Inspection & 2" Main Drain Test
 Posted information @ premise
 * Results of 2" Main Drain Test
 65 PSI - 45 PSI - 55 PSI

Description	Qty	U/M	Price	Amount
Quarterly Sprinkler Inspections / 2" Main Drain (Jan 16')				325.00
NYC Tax	325.00		0.0888	28.84

Amount Due This Invoice **\$353.84**

* Please indicate our Invoice # on your remittance. - "Thank You For Your Patronage"

TENANT'S 39% SHARE: $\$353.84 \times 39\% = \underline{\underline{\$138.00}}$

**Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013**

Bill Date: 2/18/2016

**Bill to : Brooklyn Events LLC
60 North 11th Street
Brooklyn, NY 11211
Attn.: Jen Schiffer**

Total amount due from 2/2/2016 rent bill (see breakdown on page 2) \$81,825.69

Legal fees:

Donald Eng - Invoice dated December 28, 2015 (Page 3-4)	\$3,430.00
Donald Eng - Invoice dated February 16, 2016 (Page 5)	\$2,812.50
Goldberg, Scudieri & Lindenberg - Invoice dated February 10, 2016 (Page 6-8)	<u>\$1,341.18</u>

Total Legal fees \$7,583.68

Landlord Administrative Cost (Legal Fees x 15%) **\$1,137.55**

Total amount due upon receipt \$90,546.92

**Please make check payable to "Grandfield Realty Corp."
Thank you for your prompt payment.**

Page 2 - Breakdown of 2/2/2016 bill outstanding balance:

October 2015 base rent balance	\$7,320.64
October 2015 base rent late charge	\$500.00
October interest on outstanding base rent	\$267.74
11/20/15 returned NSF check #1876 bank fee	\$12.00
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7/1/15-6/30/16 property tax due 1/1/2016	\$12,125.76
January 2016 base rent	\$18,576.36
January 2016 base rent late charge	\$500.00
January 2016 interest on outstanding base rent	\$555.90
Fire sprinkler quarterly inspection charge Jan. 2016	\$138.00
February 2016 base rent	\$18,576.36

Total	<u>\$81,825.69</u>
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DONALD ENG

Attorney at Law
139 Centre Street
Suite 510
New York, NY 10013-4555
Tel: (212) 608-1939
Fax: (212) 608-1948
E-mail: engdonald@aol.com

PAGE 3

December 28, 2015

Grandfield Realty Corp.
114 Bowery
Suite 204
New York, NY 10013

Re: Brooklyn Events

FOR PROFESSIONAL SERVICES RENDERED

09/23/15	meeting w/client	0.5
09/24/15	prepare rent demand and engagement letter	2.0
09/15/15	obtain floor plan, arrange for service	0.2
10/02/15	tel.	0.2
10/03/15	tel., email re payment schedule	0.2
10/05/15	tel., emails	0.2
10/06/15	meeting, email	0.5
10/07/15	receive 1st check, email	0.2
10/08/15	meeting	0.2
11/03/15	tel. Pedro re payment	0.2
11/18/15	emails	0.2
11/24/15	review rent statement, tel.	0.5

PAGE 5**DONALD ENG**

Attorney at Law
 139 Centre Street
 Suite 510
 New York, NY 10013-4555
 Tel: (212) 608-1939
 Fax: (212) 608-1948
 E-mail: engdonald@aol.com

February 16, 2016

Grandfield Realty Corp.
 114 Bowery
 Suite 204
 New York, NY 10013

Re: Brooklyn EventsFOR PROFESSIONAL SERVICES RENDERED

01/06/16	meeting w/client	0.5
01/07/16	review DOB filing, email Jane	0.2
01/15/16	court; tel. Jane	2.0
01/20/16	review emails	0.2
01/21/16	tel., emails	0.5
01/22/16	court, emails, meeting w/architect	3.5
01/26/16	tel., emails	0.5
02/01/16	tel. Jane	0.1
Total time		7.5 hours
Total legal fees		<u>\$ 2,812.50</u>
BALANCE DUE		<u><u>\$ 2,812.50</u></u>

PAGE 6

**LAW OFFICES OF
GOLDBERG, SCUDIERI & LINDENBERG, P.C.**

45 WEST 45TH STREET - SUITE 1401
NEW YORK, NEW YORK 10036-4602

TELEPHONE: (212) 921-1600
TELECOPIER: (212) 840-3941

Grandfield Realty Corp
c/o Jane Lok
114 Bowery
Apartment No. 204
New York, NY 10013

February 10, 2016

FOR PROFESSIONAL SERVICES RENDERED

In reference to: **Litigation matter**

Retainer is inclusive of up to approximately 4 hours of representation at a rate of \$250.00 per hour. Additional hours will be billed at the hourly rate of \$250.00 per hour, as accrued. 7-2-14

			<u>Hrs/Rate</u>	<u>Amount</u>
7/2/2014 -	ML	First Consultation	0.50	NO CHARGE
		First Consultation with Attorney	250.00/hr	
7/3/2014 -	ML	Preparation	0.60	150.00
		Preparation of Notice of Default	250.00/hr	
-	ML	Review of E-Mail	0.10	25.00
		Review of E-Mail from client	250.00/hr	
-	ML	Correspondence	0.80	200.00
		Letter to opposing	250.00/hr	
-	ML	Review	0.20	50.00
		Review of client file	250.00/hr	
7/15/2014 -	ML	Preparation	0.50	125.00
		Preparation of Notice to cure	250.00/hr	
7/23/2014 -	ML	Review	0.30	75.00
		Review of lease	250.00/hr	
9/2/2015 -	ML	Review of E-Mail	0.10	25.00
		Review of E-Mail from client	250.00/hr	
9/7/2015 -	ML	Preparation	0.50	125.00
		Preparation of notice to cure	250.00/hr	

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Grandfield Realty Corp

~~Page 3~~

		<u>Qty/Price</u>	<u>Amount</u>
9/21/2015	ML Photocopies	8	2.00
	Photocopy charges	0.25	
Total costs			<u>\$116.18</u>
For professional services rendered		5.40	<u>\$1,341.18</u>
7/2/2014 Payment - Thank You			(\$1,000.00)
9/22/2015 Invoice No. 26720	26720		\$1,083.18
2/10/2016 Invoice No. 26930	26930		\$258.00
Total due			<u>\$341.18</u>

**Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013**

Bill Date: 3/1/2016

**Bill to : Brooklyn Events LLC
60 North 11th Street
Brooklyn, NY 11211
Attn.: Jen Schiffer**

Total amount due from 2/18/2016 Rent Bill (see breakdown on page 2)	\$90,546.92
February 2016 Base Rent late charge	\$500.00
<u>Charge of outstanding base rent interest:</u>	
February interest on outstanding 10/2015 Base Rent ($\$7320.64 \times 15\% / 12$)	\$91.51
February interest on outstanding 12/2015 Base Rent ($\$18576.36 \times 15\% / 12$)	\$232.20
February interest on outstanding 1/2016 Base Rent ($\$18576.36 \times 15\% / 12$)	\$232.20
February interest on outstanding 2/2016 Base Rent ($\$18576.36 \times 15\% / 12$)	\$232.20
Total February 2016 interest on outstanding base rent	\$788.11
March 2016 base rent due 3/10/2016 (see Page 3)	\$19,133.65
Security Deposit equals 6 months of Base Rent per Lease (see Page 4):	
Six months of current Base Rent ($\$19133.65 \times 6$)	\$114,801.90
Less: Initial Security Deposit received on 2/16/2012	<u>-\$102,000.00</u>
Additional Security Deposit	\$12,801.90
Total amount due upon receipt	<u><u>\$123,770.58</u></u>

**Please make check payable to "Grandfield Realty Corp."
Thank you for your prompt payment.**

Page 2 - Breakdown of 2/18/2016 bill outstanding balance:

October 2015 Base Rent balance	\$7,320.64
October 2015 Base Rent late charge	\$500.00
October interest on outstanding Base Rent	\$267.74
11/20/15 returned NSF check #1876 bank fee	\$12.00
November interest on outstanding Base Rent	\$267.74
Fire sprinkler quarterly inspection charge Oct. 2015	\$138.00
December 2015 Base Rent	\$18,576.36
December 2015 Base Rent late charge	\$500.00
December interest on outstanding Base Rent	\$323.71
9/3/15-12/3/15 water/sewer charges	\$3,447.12
7/1/15-6/30/16 property tax due 1/1/2016	\$12,125.76
January 2016 Base Rent	\$18,576.36
January 2016 Base Rent late charge	\$500.00
January 2016 interest on outstanding Base Rent	\$555.90
Fire sprinkler quarterly inspection charge Jan. 2016	\$138.00
February 2016 Base Rent	\$18,576.36
Legal fees on 2/18/16 bill	\$7,583.68
Landlord administrative cost on 2/18/16 bill	\$1,137.55

Total	<u>\$90,546.92</u>
-------	--------------------

Date: February 15, 2011

IN THE EVENT OF ANY CONFLICT BETWEEN PROVISIONS CONTAINED IN THE PRINTED FORM OF THIS LEASE AND ANY RIDER PROVISION, THE TERMS OF THE APPLICABLE RIDER PROVISION WILL GOVERN AND CONTROL.

40. TERM, BASE RENT:

A. The term of this Lease, unless sooner terminated pursuant to the terms and provisions hereof (the "Term") shall commence on February 20, 2012 (the "Commencement Date") and shall expire on February 28, 2022 (the "Expiration Date"), unless sooner terminated in accordance with the terms herewith. Tenant covenants and agrees to pay to Landlord Base Rent (as such term is defined below) and additional rent (as such term is defined below), commencing on the Commencement Date, through and including the Expiration Date, without offset, counterclaim or defense and without prior demand therefore, as follows ("Base Rent"):

- (1) for the period commencing on the Commencement Date through and including February 28, 2013: \$204,000.00 per annum, payable in equal monthly installments of \$17,000.00 each (pro-rated as necessary);
- (2) for the period commencing on March 1, 2013 through and including February 28, 2014: \$210,120.00 per annum, payable in equal monthly installments of \$17,510.00 each;
- (3) for the period commencing on March 1, 2014 through and including February 28, 2015: \$216,423.60 per annum, payable in equal monthly installments of \$18,035.30 each;
- (4) for the period commencing on March 1, 2015 through and including February 29, 2016: \$222,916.32 per annum, payable in equal monthly installments of \$18,576.36 each;
- (5) for the period commencing on March 1, 2016 through and including February 28, 2017: \$229,603.80 per annum, payable in equal monthly installments of \$19,133.65 each;
- (6) for the period commencing on March 1, 2017 through and including February 28, 2018: \$236,491.92 per annum, payable in equal monthly installments of \$19,707.66 each;
- (7) for the period commencing on March 1, 2018 through and including February 28, 2019: \$243,586.68 per annum, payable in equal monthly installments of \$20,298.89 each;

354 Broome Street, Suite 1
New York, NY 10013
Attention: Glenn Lau-Kee, Esq.

PAGE 4

If to Tenant: Brooklyn Events LLC
c/o John Perez
133 Huron Street, C201
Brooklyn, NY 11222

with a copy to: SHARMALAW – Ravi Ivan Sharma, P.C.
200 Park Avenue South
Suite 1511
New York, NY 10003-1536

or such other address or to the attention of such other person as hereafter shall be designated in writing by the applicable party sent in accordance with the provisions of this Article. Notices to either party shall be deemed to be given (a) on the date received, or receipt refused, when sent by personal delivery or overnight courier and (b) on the third (3rd) day after mailing, when sent by certified mail, return receipt requested. Tenant hereby acknowledges and agrees that any such bill, statement, demand, notice, request or other communication may be given by Landlord's agent on behalf of Landlord. Notwithstanding anything contained in the Lease to the contrary, bills and statements issued by Landlord may be sent by regular first class mail, without copies to any other party. This notice provision has been specifically negotiated between the parties hereto.

57. ADDENDUM TO ARTICLE 31 (SECURITY): As security for the full and prompt performance by Tenant of all of its obligations hereunder, Tenant shall, upon execution of this Lease, pay to Landlord the sum of \$102,000 ("Security Deposit") which may be applied by Landlord for the purpose of curing any default of Tenant under this Lease. The initial amount of the Security Deposit is equal to six (6) months of the Base Rent payable during the first year of the Term. Tenant shall add to the Security Deposit from time to time additional amounts so that the Security Deposit at all times equals six (6) months of the then current Base Rent. The Security Deposit shall not be kept in an interest bearing account and may be commingled with other funds of Landlord. If Tenant has not defaulted hereunder and owes no further amounts to Landlord as of the Expiration Date, any remaining portion of the Security Deposit shall promptly be returned to Tenant within thirty (30) days after the Tenant's surrender of the Premises to Landlord as required hereunder. In the event Landlord utilizes any portion of the Security Deposit as provided herein, Landlord shall notify Tenant in writing of such expenditures, whereupon Tenant shall immediately pay to Landlord the amount of such expenditures to replenish the Security Deposit to its original amount.

58. ADDENDUM TO ARTICLE 28 (WATER CHARGES) AND ARTICLE 30 (HEAT, CLEANING):

A. **No Responsibility.** Landlord shall have no responsibility for the furnishing of any services or utilities to Tenant or the demised premises including, without limitation, electric, heating, air-conditioning, cleaning, elevator, gas or water. Tenant shall arrange to obtain all

Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013

Bill Date: 3/31/2016

Bill to : Brooklyn Events LLC
60 North 11th Street
Brooklyn, NY 11211
Attn.: Jen Schiffer

Total rent due from 3/1/2016 Statement (see breakdown on page 2)	\$110,968.68
<u>Payments received:</u>	
3/5/16 deposited cashier's check #1588706907 dated 3/4/16	-\$18,576.36
3/21/16 deposited cashier's check #1588706978 dated 3/15/16	<u>-\$9,288.18</u>
3/1/2016 Statement outstanding rent balance	\$83,104.14
March 2016 Base Rent late charge	\$500.00
<u>Landlords Costs to Enforce Lease (See pages 3-5):</u>	
Donald Eng - Invoice Re: Brooklyn Events (Dated March 31, 2016)	\$12,750.00
Phillips Consulting - Expert for Non-Payment Trial	\$300.00
Landlord Administrative Costs as per Lease (Costs x 15%)	<u>\$1,957.50</u>
Total Landlord Costs	\$15,007.50
Rent Balance Due	\$98,611.64
<u>Security Deposit (equals 6 months of Base Rent per Lease)</u>	
6 months Base Rent (\$19,133.65 x 6)	\$ 114,801.90
Less Initial Security Deposit Received 2/16/2012	<u>\$(102,000.00)</u>
Additional Security Deposit Due	\$ 12,801.90
Total Amount Due Upon Receipt	<u>\$111,413.54</u>

Please make check payable to "Grandfield Realty Corp."
Thank you for your prompt payment.

Page 2 - Breakdown Outstanding Balances**Rent Balances**

October 2015 Base Rent Late Charge	\$500.00
October 2015 interest on outstanding Base Rent	\$267.74
October 2015 Base Rent Balance	\$7,320.64
November interest balance on outstanding Base Rent	\$267.74
11/20/15 returned NSF check #1876 bank fee	\$12.00
Fire Sprinkler Quarterly Inspection Charge Oct 2015	\$138.00
December 2015 Base Rent Late Charge	\$500.00
December 2015 Base Rent	\$18,576.36
December interest balance on outstanding Base Rent	\$323.71
9/3/15-12/3/15 water/sewer charges	\$3,447.12
7/1/15-6/30/16 property tax due 1/1/2016	\$12,125.76
January 2016 Base Rent	\$18,576.36
January 2016 Base Rent late charge	\$500.00
January 2016 interest on outstanding Base Rent	\$555.90
Fire sprinkler quarterly inspection charge Jan. 2016	\$138.00
February 2016 Base Rent	\$18,576.36
Legal fees on 2/18/16 bill	\$7,583.68
Landlord administrative cost on 2/18/16 bill	\$1,137.55
February 2016 Base Rent late charge	\$500.00
February 2016 interest on outstanding Base Rent	\$788.11
March 2016 Base Rent	<u>\$19,133.65</u>

TOTAL**\$110,968.68****Additional Security Deposit Owed****\$12,801.90**

DONALD ENG

Attorney at Law
 139 Centre Street
 Suite 510
 New York, NY 10013-4555
 Tel: (212) 608-1939
 Fax: (212) 608-1948
 E-mail: engdonald@aol.com

March 31, 2016

Grandfield Realty Corp.
 114 Bowery
 Suite 204
 New York, NY 10013

Re: Brooklyn Events

FOR PROFESSIONAL SERVICES RENDERED

02/22/16	trial preparation, meet Jane	1.0
02/23/16	trial preparation	1.5
02/25/16	trial preparation	0.5
02/26/16	meet Jane, court, check on status of mechanic's liens	2.0
03/18/16	visit building, emails	1.0
03/19/16	review trial preparation	1.0
03/21/16	preparation, begin trial	8.0
03/22/16	meeting w/Glenn	0.5
03/23/16	court, prepare for next day	2.0
03/24/16	trial, meet w/Kevin Philips, conference w/judge	8.0
03/25/16	tels., meeting, prepare stipulation	2.0
03/26/16	finish stipulation	1.0

03/28/16	emails, start post trial memo	1.5
03/29/16	work on memo	2.0
03/30/16	work on memo	2.0
Total time		34.0 hours
Total legal fees		<u>\$ 12,750.00</u>
BALANCE DUE		<u>\$ 12,750.00</u>

Phillips Consulting
134 Irvington Avenue
Somerset, NJ 08873 US
knp223@hotmail.com

Invoice

BILL TO
Donald Eng
Donald Eng Esq.
139 Centre St.
New York, NY 10013

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
2016/97	03/30/2016	\$300.00	04/01/2016	Due on receipt	

<u>ACTIVITY</u>	<u>QTY</u>	<u>RATE</u>	<u>AMOUNT</u>
RE: 60 North 11th St. Consultation 3 Hour Court Representation	1	300.00	300.00
BALANCE DUE			\$300.00

Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013

Bill Date: 4/4/2016

Bill to : Brooklyn Events LLC
60 North 11th Street
Brooklyn, NY 11211
Attn.: Jen Schiffer

PRE-BANKRUPTCY

Total rent due from 3/31/2016 Statement (see breakdown on page 2) **\$98,111.64**

POST-BANKRUPTCY

Charge of outstanding base rent interest:

Monthly interest on outstanding 1/2016 Rent Charges (\$34,190.89 x 15% / 12)	\$427.39	
Monthly interest on outstanding 2/2016 Rent Charges (\$19,770.76 x 15% / 12)	\$247.13	
Monthly interest on outstanding 3/2016 Rent Charges (\$44,650.49 x 15% / 12)	\$558.13	
Total March 2016 interest on outstanding base rent		\$1,232.65

April 2016 Base Rent **\$19,133.65**

12/3/15-3/2/16 water and sewer charges:

3-month water/sewer charges based on old water meter's average monthly charges of \$122.26 (\$122.26 x 3 months):

\$366.78

x 39%

Tenant's 39% share of water/sewer charges based on old meter

\$143.04

Tenant's own water/sewer usage:

12/3/15-3/2/16 total water/sewer charges (see Page 3)

\$2,960.37

Less: Average 3-month water/sewer charges based on old meter

-\$366.78

Tenant's own water/sewer usage charges

\$2,593.59

12/3/15-3/2/16 total water/sewer charges (\$143.04 + \$2593.59) **\$2,736.63**

Post Bankruptcy Rent Balance Due	\$23,102.93
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Security Deposit (equals 6 months of Base Rent per Lease)

6 months Base Rent (\$19,133.65 x 6)

\$ 114,801.90

Less Initial Security Deposit Received 2/16/2012

\$(102,000.00)

Additional Security Deposit Due	\$ 12,801.90
--	---------------------

Total Amount Due Upon Receipt **\$35,904.83**

Thank you for your prompt payment.

Page 2 - Breakdown Outstanding Balances**Pre Bankruptcy Rent Balances**

December interest balance on outstanding Base Rent	\$41.65	
9/3/15-12/3/15 water/sewer charges	\$3,447.12	
7/1/15-6/30/16 property tax due 1/1/2016	\$12,125.76	
January 2016 Base Rent	<u>\$18,576.36</u>	
Total January Rent Owed		\$34,190.89
January 2016 Base Rent late charge	\$500.00	
January 2016 interest on outstanding Base Rent	\$555.90	
Fire sprinkler quarterly inspection charge Jan. 2016	\$138.00	
February 2016 Base Rent	<u>\$18,576.36</u>	
Total February Rent Owed		\$19,770.26
Legal fees on 2/18/16 bill	-\$7,583.68	
Landlord administrative cost on 2/18/16 bill	\$1,137.55	
February 2016 Base Rent late charge	\$500.00	
February 2016 interest on outstanding Base Rent	\$788.11	
March 2016 Base Rent late charge	\$500.00	
Legal Fees on 3/31/16 bill	\$12,750.00	
Trial Expert Fee on 3/31/16 bill	\$300.00	
Landlord administrative cost on 3/31/16 bill	\$1,957.50	
March 2016 Base Rent	<u>\$19,133.65</u>	
Total March Rent Owed		\$44,650.49
TOTAL		<u>\$98,611.64</u>
Additional Security Deposit Owed		<u>\$12,801.90</u>

PAGE 3 of 3



ACCOUNT NUMBER	BILL DATE	PAYMENT DUE BY	AMOUNT DUE	AMOUNT ENCLOSED
10003-05090-001	Mar 10, 2016	Apr 7, 2016	\$ 2,960.37	\$



Check for name/address change (See reverse side)

031100030609000103102016000002960373

Make check payable to: NYC Water Board.
Please send payment in the enclosed envelope to:

*****AUTO**3-DIGIT 112 134 P1 16904
 100030609000103102016000002960373
 A K2 W 120 1000306090001 C

NYC WATER BOARD
 PO BOX 11853
 NEWARK, NJ 07101-8163

GRANDFIELD RLTY CORP
 2676 E 66TH ST
 BROOKLYN NY 11234-6848



PLEASE DETACH AND RETURN THIS PORTION WITH YOUR MAILED PAYMENT. PLEASE WRITE YOUR ACCOUNT NUMBER ON YOUR CHECK.

ACCOUNT NUMBER	BILL DATE	PAYMENT DUE BY	AMOUNT DUE	AFTER APR 7, 2016 INTEREST CHARGES AT THE RATE OF 0.75% PER MONTH ARE INCLUDED.
10003-05090-001	Mar 10, 2016	Apr 7, 2016	\$ 2,960.37	

BILLING INFORMATION

Previous bill - Dec 11, 2015 \$3,670.86
 Payment Received - Dec 30, 2015 Thank you 3,670.86-
 PRIOR BALANCE 0.00

RATE: BASIC WATER AND SEWER

Meter Number I15003979 From 12/3/15 To 3/2/16 Days 60
 Read type ACTUAL Prior Read 285600 Current Read 315600 Usage 30000 Cubic Feet
 30000 Cubic Feet = 300 Hundred Cubic Feet (HCF).

Total Usage 300 HCF
 Water charge 1,143.00
 Sewer charge 1,817.37

This bill reflects payments processed before Mar 10, 2016.
 Your next bill date is scheduled for Jun 10, 2016.
 Your meter(s) will be read during the preceding week.

Total amount due \$2,960.37

PLEASE PAY THIS AMOUNT

\$2,960.37

Please see the back of the bill for an explanation of the rates.

Service Address:
 60 N 11 ST
 BROOKLYN NY 11249-1912

Please direct correspondence or calls to:
 DEP/BCS CUSTOMER SERVICE
 PO BOX 739055
 ELMHURST, NY 11373-9055
 (7-3) 595-7000

E-PAID 4/4/16

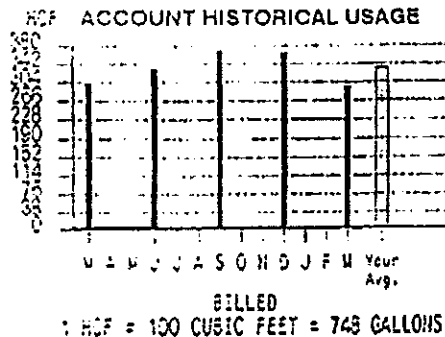
IMPORTANT MESSAGES

This billing period:

For meter I15003979
 Your daily average usage = 3.33 HCF (2491 GALLONS)
 Your daily average cost = \$ 32.69

SAVE TIME AND PAPER. VISIT NYC.GOV/DEP AND SIGN UP FOR
 MONTHLY eBILLING TO RECEIVE A \$10 CREDIT TODAY.

TO LEARN MORE ABOUT THE CITY'S WORLD-CLASS WATER SYSTEM, FOLLOW
 US ON FACEBOOK AT WWW.FACEBOOK.COM/NYCWATER OR TWITTER AT
 WWW.TWITTER.COM/NYCWATER.



Page 1

Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013

Bill Date: 5/6/2016

Bill to : Brooklyn Events LLC
60 North 11th Street
Brooklyn, NY 11211
Attn.: Jen Schiffer

PRE-BANKRUPTCY

Total rent due from 3/31/2016 Statement **\$98,111.64**

POST-BANKRUPTCY

4/4/2016 Statement outstanding rent balance (see breakdown on page 2) **\$23,102.93**

April 2016 Base Rent late charge **\$500.00**

Charge of outstanding base rent interest:

Monthly interest on outstanding 1/2016 Rent Charges ($\$34,190.89 \times 15\% / 12$) **\$427.39**

Monthly interest on outstanding 2/2016 Rent Charges ($\$19,770.76 \times 15\% / 12$) **\$247.13**

Monthly interest on outstanding 3/2016 Rent Charges ($\$44,650.49 \times 15\% / 12$) **\$558.13**

Monthly interest on outstanding 4/2016 Rent Charges ($\$23,102.93 \times 15\% / 12$) **\$288.79**

Total April 2016 interest on outstanding base rent **\$1,521.43**

May 2016 Base Rent **\$19,133.65**

NYC Finance Bill due 4/1/16 - Fire-Prevention Inspection (See Page 3) **\$625.00**

Tenant's 39% Share of Finance Bill **\$156.25**

Landlords Costs to Enforce Lease (See page 4):

Ortiz & Ortiz LLP Retainer - Creditor Representation (Brooklyn Events Chapter 11) **\$2,500.00**

Landlord Administrative Costs as per Lease (Costs x 15%) **\$375.00**

Total Landlord Costs **\$2,875.00**

Post Bankruptcy Rent Balance Due	\$47,289.25
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<u>Security Deposit (equals 6 months of Base Rent per Lease)</u>	
6 months Base Rent ($\$19,133.65 \times 6$)	\$114,801.90
Less Initial Security Deposit Received 2/16/2012	(\$102,000.00)
Additional Security Deposit Due	\$ 12,801.90

Total Amount Due Upon Receipt **\$60,091.15**

Please make check payable to "Grandfield Realty Corp."
 Thank you for your prompt payment.

Page 2 - Breakdown Outstanding Balances**Pre Bankruptcy Rent Balances**

December interest balance on outstanding Base Rent	\$41.65	
9/3/15-12/3/15 water/sewer charges	\$3,447.12	
7/1/15-6/30/16 property tax due 1/1/2016	\$12,125.76	
January 2016 Base Rent	<u>\$18,576.36</u>	
Total January Rent Owed		\$34,190.89

January 2016 Base Rent late charge	\$500.00	
January 2016 interest on outstanding Base Rent	\$555.90	
Fire sprinkler quarterly inspection charge Jan. 2016	\$138.00	
February 2016 Base Rent	<u>\$18,576.36</u>	
Total February Rent Owed		\$19,770.26

Legal fees on 2/18/16 bill	\$7,583.68	
Landlord administrative cost on 2/18/16 bill	\$1,137.55	
February 2016 Base Rent late charge	\$500.00	
February 2016 interest on outstanding Base Rent	\$788.11	
March 2016 Base Rent late charge	\$500.00	
Legal Fees on 3/31/16 bill	\$12,750.00	
Trial Expert Fee on 3/31/16 bill	\$300.00	
Landlord administrative cost on 3/31/16 bill	\$1,957.50	
March 2016 Base Rent	<u>\$19,133.65</u>	
Total March Rent Owed		\$44,650.49

TOTAL		<u>\$98,611.64</u>
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Post Bankruptcy Rent Balances

March 2016 interest on outstanding Rent	\$1,232.65	
12/3/15-3/2/16 Water/Sewer Charges	\$2,736.63	
April 2016 Base Rent	<u>\$19,133.65</u>	
Total April Rent Owed		\$23,102.93

Additional Security Deposit Owed		<u>\$12,801.90</u>
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**Department of
Finance**
Statement Details
Page 3

 February 19, 2016
 Grandfield Rity Corp.
 54 N. 11th St.
 3-02285-0009
 Page 2

Previous Charges	Due Date	Amount
Total previous charges including interest and payments		\$0.00

Current Charges	Activity Date	Due Date	Amount
Fire-Prevention Inspection 08183		04/01/2016	\$625.00
Total current charges			\$625.00

Annual Property Tax Detail

Tax class 4 - Commercial Property	Tax rate		
Current tax rate	10.6560%		
Estimated market value \$1,776,000	Billable assessed value	Tax rate	Taxes
	\$585,090	X 10.6560%	= \$62,347
Tax before exemptions and abatements			\$62,347
Tax before abatements			\$62,347
Annual property tax			\$62,347

If you own income producing property, you must file a Real Property Income and Expense Statement or a Claim of Exclusion unless you are exempt by law. The deadline to file is June 1, 2016. Failure to file will result in penalties and interest, which will become a lien on your property if they go unpaid. To see if you are exempt from this requirement and to learn more, please visit nyc.gov/rple.

Home banking payment instructions:

1. Log into your bank or online bill pay website
2. Add the new payee: NYC DOF Property Tax. Enter your account number, which is your boro, block and lot, as it appears here: 3-02295-0009. You may also need to enter the address for the Department of Finance. The address is P.O. Box 680, Newark, NJ 07101-0680.
3. Schedule your online payment using your checking or savings account

Did your mailing address change?

If so, please visit us at nyc.gov/changemailingaddress or call 311.

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.



Page 4

GRANDFIELD REALTY CORP.

JPMORGAN CHASE BANK, N.A.
www.Chase.com

5717

PAY
TO THE
ORDER OF

Ortiz & Ortiz, LLP

1-2210

DATE

4/5/2016

\$ 2,500.00

Two Thousand Five Hundred and 00/100***** DOLLARS

Ortiz & Ortiz, LLP
32-72 Steinway Street, Ste 402
Astoria, New York 11103

MEMO

Retainer Fee

Will Koenig

GRANDFIELD REALTY CORP.

Ortiz & Ortiz, LLP

4/5/2016

Tenant Bankruptcy, Creditor's Rights

2,500.00

Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013

Bill Date: 6/3/2016

Bill to : Brooklyn Events LLC
60 North 11th Street
Brooklyn, NY 11211
Attn.: Jen Schiffer

PRE-BANKRUPTCY

Total rent due from 3/31/2016 Statement **\$98,111.64**

POST-BANKRUPTCY

5/6/2016 Statement outstanding rent balance (see breakdown on page 2) **\$47,289.25**

May 2016 Base Rent late charge **\$500.00**

Charge of outstanding base rent interest (See Page 5):

Monthly interest on outstanding 1/2016 Rent Charges (\$34,190.89 x 15% / 12)	\$427.39
Monthly interest on outstanding 2/2016 Rent Charges (\$19,770.76 x 15% / 12)	\$247.13
Monthly interest on outstanding 3/2016 Rent Charges (\$44,650.49 x 15% / 12)	\$558.13
Monthly interest on outstanding 4/2016 Rent Charges (\$23,102.93 x 15% / 12)	\$288.79
Monthly interest on outstanding 5/2016 Rent Charges (\$24,186.33 x 15% / 12)	\$302.33

Total May 2016 Interest on outstanding base rent **\$1,823.76**

June 2016 Base Rent **\$19,133.65**

Landlords Costs to Enforce Lease (See pages 3-6):

Ortiz & Ortiz LLP 6/3 Invoice - Legal Fees	\$9,115.00
Landlord Administrative Costs (Costs x 15%) (See Page 4)	\$1,367.25

Total Landlord Costs **\$10,482.25**

Post Bankruptcy Rent Balance Due	\$79,228.91
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<u>Security Deposit (equals 6 months of Base Rent per Lease)</u>	
6 months Base Rent (\$19,133.65 x 6)	\$114,801.90
Less Initial Security Deposit Received 2/16/2012	(\$102,000.00)
Additional Security Deposit Due	\$ 12,801.90

Total Amount Due Upon Receipt **\$92,030.81**

Please make check payable to "Grandfield Realty Corp."
Thank you for your prompt payment.

Page 2 - Breakdown Outstanding Balances**Pre Bankruptcy Rent Balances**

December interest balance on outstanding Base Rent	\$41.65	
9/3/15-12/3/15 water/sewer charges	\$3,447.12	
7/1/15-6/30/16 property tax due 1/1/2016	\$12,125.76	
January 2016 Base Rent	<u>\$18,576.36</u>	
Total January Rent Owed		\$34,190.89
January 2016 Base Rent late charge	\$500.00	
January 2016 interest on outstanding Base Rent	\$555.90	
Fire sprinkler quarterly inspection charge Jan. 2016	\$138.00	
February 2016 Base Rent	<u>\$18,576.36</u>	
Total February Rent Owed		\$19,770.26
Legal fees on 2/18/16 bill	\$7,583.68	
Landlord administrative cost on 2/18/16 bill	\$1,137.55	
February 2016 Base Rent late charge	\$500.00	
February 2016 interest on outstanding Base Rent	\$788.11	
March 2016 Base Rent late charge	\$500.00	
Legal Fees on 3/31/16 bill	\$12,750.00	
Trial Expert Fee on 3/31/16 bill	\$300.00	
Landlord administrative cost on 3/31/16 bill	\$1,957.50	
March 2016 Base Rent	<u>\$19,133.65</u>	
Total March Rent Owed		\$44,650.49
TOTAL		<u>\$98,611.64</u>

Post Bankruptcy Rent Balances

March 2016 interest on outstanding Rent	\$1,232.64	
12/3/15-3/2/16 Water/Sewer Charges	\$2,736.63	
April 2016 Base Rent	<u>\$19,133.65</u>	
Total April Rent Owed		\$23,102.92
April 2016 Base Rent late charge	\$500.00	
April 2016 interest on outstanding Rent	\$1,521.43	
NYC Finance Bill - Fire Prevention Inspection	\$156.25	
Landlords Costs to Enforce Lease	\$2,875.00	
May 2016 Base Rent	<u>\$19,133.65</u>	
Total May Rent Owed		\$24,186.33
TOTAL		<u>\$47,289.25</u>
Additional Security Deposit Owed		<u>\$12,801.90</u>



3272 Steinway Street, Suite 402
Astoria, New York 11103
United States
Phone: (718) 522-1117
Fax: (718) 596-1302
Email: email@ortizandortiz.com
www.ortizandortiz.com

INVOICE

Invoice # 220
Date: 06/03/2016
Due On: 07/03/2016

Jane Lok
Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013

Landlord Jane Lok-Brooklyn Events LLC-2016**Client Reference Number:**

Type	Date	Description	Quantity	Rate	Total
Service	03/28/2016	tc eng; tc client; pulled docket, email debtors counsel	0.70	\$400.00	\$280.00
Service	03/29/2016	Telephone Call: TC with Eng	0.40	\$400.00	\$160.00
Service	04/01/2016	review and respond to emails about no insurance; email debtor's counsel re same; review new insurance application and docket and retrieve Rule 1007 affidavit.	0.80	\$400.00	\$320.00
Service	04/01/2016	Telephone Call: TC with client	0.20	\$400.00	\$80.00
Service	04/02/2016	Email Preparation, Review or Response: reviewed and replied to multiple emails to/from client	0.30	\$400.00	\$120.00
Service	04/03/2016	prepared retainer	0.20	\$400.00	\$80.00
Service	04/04/2016	Telephone Call: tc re lease fees, invoice, insurance, background	0.50	\$400.00	\$200.00
Service	04/04/2016	Telephone Call: TC with client	0.30	\$400.00	\$120.00
Service	04/07/2016	Email Preparation, Review or Response: email to client reg. rent statement	0.10	\$400.00	\$40.00
Service	04/07/2016	Telephone Call: TC - with client	0.30	\$400.00	\$120.00
Service	04/08/2016	Telephone Call: Telephone call with Jane Lok regarding developments in her tenant's bankruptcy case.	0.80	\$400.00	\$320.00

Service	04/14/2016	review proposal from investor (.2) email debtor re rent and lift stay (.1) review rent statement to determine amount due for April; email Jane re same (.2)	0.50	\$400.00	\$200.00
Service	04/15/2016	email court for hearing date; review email from client and lawyer; respond to same	0.70	\$400.00	\$280.00
Service	04/18/2016	Email Preparation, Review or Response: reviewed and replied to client's email	0.10	\$400.00	\$40.00
Service	04/19/2016	rare from Katz, Lok, Lee, Markowitz, and Eng both yesterday and today: insurance, pre-petition defaults, mechanic liens, what happens if we don't respond; timing of response; course of action	0.40	\$400.00	\$160.00
Service	04/20/2016	Email Preparation, Review or Response: reviewed and replied to multiple emails to Mr. Markowitz	0.30	\$400.00	\$120.00
Service	04/21/2016	rare from Katz about update on offer	0.10	\$400.00	\$40.00
Service	04/25/2016	review and respond to emails from Scott Markowitz about sale, rent and insurance, from client about same; from Katz about proceeding with offer. Review cases on breach of insurance provisions of lease and begin outlining motion to lift the automatic stay (1.3)	2.00	\$400.00	\$800.00
Service	04/28/2016	review email and text from investor and debtor about update on conference call	0.10	\$400.00	\$40.00
Service	05/02/2016	Email Preparation, Review or Response: reviewed and replied email to client	0.10	\$400.00	\$40.00
Service	05/03/2016	conference call with Jane answering all of her questions; took one hour	1.00	\$400.00	\$400.00
Service	05/04/2016	TC Bob Kolodney about new offer; TC Glenn re how to handle conference call; email Jane and Cliff about call tomorrow; email Jane and Glenn about Pascha offer	0.50	\$400.00	\$200.00
Service	05/05/2016	rare to emails from Jane, Glenn, Willer. TC with new investor Max. prepare for conference call to determine adequate assurance	1.00	\$400.00	\$400.00
Service	05/05/2016	check recent cases on adequate assurance and email client re same; respond to emails and speak to Dean Willer and other investor. Prepare short memorandum on adequate assurances for future discussion.	1.40	\$400.00	\$560.00

Service	05/05/2016	conference call with katz, and then with client afterwards; email markowitz afterwards with update	1.60	\$400.00	\$640.00
Service	05/06/2016	prep martha for 341; tc with martha re same; email Jane about outcome of meeting; tc with Jane about pending issues	0.70	\$400.00	\$280.00
Service	05/06/2016	Travel to/from Court Appearance: MDJ; Travel to and from court appearance; billed at half hourly rate	0.50	\$150.00	\$75.00
Service	05/06/2016	MDJ; prepare for and attendance at 341 Meeting of creditors.	3.00	\$300.00	\$900.00
Service	05/06/2016	Email Preparation, Review or Response: reviewed and replied to multiple emails to/from client	0.20	\$400.00	\$80.00
Service	05/09/2016	Telephone Call: TC with Max Lou	0.90	\$400.00	\$360.00
Service	05/09/2016	Email Preparation, Review or Response: reviewed and replied email to client	0.10	\$400.00	\$40.00
Service	05/09/2016	Email Preparation, Review or Response: reviewed and replied to multiple emails to/from Glenn Lau-Kee	0.20	\$400.00	\$80.00
Service	05/11/2016	review and respond to emails from June, Kolodney, and Markowitz about rent, motion to sell, amounts due, etc. Review statements of rent.	0.30	\$400.00	\$120.00
Service	05/12/2016	tc with glenn about status of negotiations (.3) tc dean willer about proposal and plan of action and bankruptcy process (.3) tc with Jane re same and tc tomorrow (.2) email dean about time for conference.	0.80	\$400.00	\$320.00
Service	05/13/2016	conference call with dean willer (.6) tc thereafter with glenn and Jane about what we want and how to proceed, and what lease is worth (.4) tc with bob kolodney about walk through and tc with Jane about speaking directly to his clients (.3)	1.30	\$400.00	\$520.00
Service	05/13/2016	Email Preparation, Review or Response: forwarded email to Mr. Kolodney	0.10	\$400.00	\$40.00
Service	05/19/2016	review application to retain broker; tc Jane re same and decision not to make motion (.5)	0.50	\$400.00	\$200.00
Service	05/20/2016	tc with glenn lau about meeting with eddie dean and next steps and sale motion (.2) review sale motion (.3)	0.50	\$400.00	\$200.00

Service	05/20/2016	Email Preparation, Review or Response: reviewed and replied to email	0.10	\$400.00	\$40.00
Service	05/26/2016	TC with Frank Oswald on behalf of Webster Hall. Wants to meet next week.	0.50	\$400.00	\$200.00
Service	05/26/2016	Email Preparation, Review or Response: reviewed and replied to multiple emails	0.20	\$400.00	\$80.00
Service	05/27/2016	Telephone Call: Telephone call with Jane Lok regarding developments in case after UST filed motion to convert to chapter 7.	0.40	\$400.00	\$160.00
Service	05/27/2016	Email Preparation, Review or Response: reviewed and replied to emails	0.20	\$400.00	\$80.00
Service	05/31/2016	review and outline issues regarding motion and potential objection; determined not to file objection; review UST objection to motion and Debtor's response to objection	1.50	\$400.00	\$600.00
Service	05/31/2016	Document Review: MDJ: Review of bidding procedure motion and protections for landlord.	0.40	\$300.00	\$120.00
Service	05/31/2016	Email Preparation, Review or Response: reviewed and replied to multiple emails	0.20	\$400.00	\$80.00
Service	06/01/2016	tc jane about hearing and turning over lease; rare Oswald and Glenn re webster hall; prepare for and attend hearing (travel billed at half hourly)	3.00	\$400.00	\$1,200.00
Service	06/03/2016	Email Preparation, Review or Response: Reviewed and replied to email to client, forwarded email to Mr. Markowitz	0.20	\$400.00	\$80.00
				Subtotal	\$11,615.00
				Invoice Discount	\$2,500.00
				<i>Legal Fees Paid</i>	
				Total	\$9,115.00

Please make all amounts payable to: Ortiz & Ortiz, LLP

Please pay within 30 days.

Grandfield Realty Corp.
114 Bowery, Suite 204
New York, NY 10013

Bill Date: 7/7/2016

Bill to : Brooklyn Events LLC
60 North 11th Street
Brooklyn, NY 11211
Attn.: Jen Schiffer

PRE-BANKRUPTCY

Total rent due from 3/31/2016 Statement \$98,111.64

POST-BANKRUPTCY

6/3/2016 Statement outstanding rent balance (see breakdown on page 2) \$79,228.91

June 2016 Base Rent late charge \$500.00

Charge of outstanding base rent interest (See Page 5)

Monthly interest on outstanding 1/2016 Rent Charges (\$34,190.89 x 15% / 12)	\$427.39
Monthly interest on outstanding 2/2016 Rent Charges (\$19,770.76 x 15% / 12)	\$247.13
Monthly interest on outstanding 3/2016 Rent Charges (\$44,650.49 x 15% / 12)	\$558.13
Monthly interest on outstanding 4/2016 Rent Charges (\$23,102.93 x 15% / 12)	\$288.79
Monthly interest on outstanding 5/2016 Rent Charges (\$24,186.33 x 15% / 12)	\$302.33
Monthly interest on outstanding 6/2016 Rent Charges (\$31,939.66 x 15% / 12)	\$399.25

Total June 2016 interest on outstanding rent \$2,223.01

3/2/16 - 6/5/16 Water and Sewer Charges:

3-month water/sewer charges based on old water meter's average monthly charges of \$122.26 (\$122.26 x 3 months)	\$366.78
	x 39%
Tenant's 39% share of water/sewer charges based on old meter	\$143.04

Tenant's own water/sewer usage	
3/2/16 - 6/5/16 Total water/sewer charges (See Page 3)	\$1,243.36
Less: Average 3 month water/sewer charges based on old meter	(\$366.78)
Tenant's own water/sewer usage charges	\$876.58

3/2/16 - 6/5/16 Total Water and Sewer Charges (\$143.04 + \$876.58): \$1,019.62

Property Tax Half Year Payment Due 7/1/16 (See Page 4)	\$42,763.58
	x 39%

Tenants 39% Share of Property Tax Due 7/1/16 \$16,677.80

July 2016 Base Rent \$19,133.65

Post Bankruptcy Rent Balance Due	\$118,782.99
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<u>Security Deposit (equals 6 months of Base Rent per Lease)</u>	
6 months Base Rent (\$19,133.65 x 6)	\$114,801.90
Less Initial Security Deposit Received 2/16/2012	(\$102,000.00)
Additional Security Deposit Due	\$ 12,801.90

Total Amount Due Upon Receipt \$131,584.89

Please make check payable to "Grandfield Realty Corp."
Thank you for your prompt payment.

PAGE 2Page 2 - Breakdown Outstanding Balances**Pre Bankruptcy Rent Balances**

December interest balance on outstanding Base Rent	\$41.65	
9/3/15-12/3/15 water/sewer charges	\$3,447.12	
7/1/15-6/30/16 property tax due 1/1/2016	\$12,126.76	
January 2016 Base Rent	<u>\$18,576.36</u>	
Total January Rent Owed		\$34,190.89

January 2016 Base Rent late charge	\$500.00	
January 2016 interest on outstanding Base Rent	\$555.90	
Fire sprinkler quarterly inspection charge Jan. 2016	\$138.00	
February 2016 Base Rent	<u>\$18,576.36</u>	
Total February Rent Owed		\$19,770.26

Legal fees on 2/18/16 bill	\$7,583.68	
Landlord administrative cost on 2/18/16 bill	\$1,137.55	
February 2016 Base Rent late charge	\$500.00	
February 2016 interest on outstanding Base Rent	\$788.11	
March 2016 Base Rent late charge	\$500.00	
Legal Fees on 3/31/16 bill	\$12,750.00	
Trial Expert Fee on 3/31/16 bill	\$300.00	
Landlord administrative cost on 3/31/16 bill	\$1,957.50	
March 2016 Base Rent	<u>\$19,133.65</u>	
Total March Rent Owed		\$44,650.49

TOTAL		<u>\$98,611.64</u>
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Post Bankruptcy Rent Balances

March 2016 interest on outstanding Rent	\$1,232.64	
12/3/15-3/2/16 Water/Sewer Charges	\$2,736.63	
April 2016 Base Rent	<u>\$19,133.65</u>	
Total April Rent Owed		\$23,102.92

April 2016 Base Rent late charge	\$500.00	
April 2016 interest on outstanding Rent	\$1,521.43	
NYC Finance Bill - Fire Prevention Inspection	\$156.25	
Landlords Costs to Enforce Lease	\$2,875.00	
May 2016 Base Rent	<u>\$19,133.65</u>	
Total May Rent Owed		\$24,186.33

May 2016 Base Rent late charge	\$500.00	
April 2016 interest on outstanding Rent	\$1,823.76	
May 2016 Base Rent	\$19,133.65	
Landlords Costs to Enforce Lease	<u>\$10,482.25</u>	
Total June Rent Owed		\$31,939.66

TOTAL		<u>\$79,228.91</u>
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Additional Security Deposit Owed		<u>\$12,801.90</u>
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ACCOUNT NUMBER	BILL DATE	PAYMENT DUE BY	AMOUNT DUE	AMOUNT ENCLOSED
10003-06090-001	Jun 10, 2016	Jul 8, 2016	\$ 1,243.36	\$

☐ Check for name/address change (See reverse side)

031100030609000106102016000001243364

*****AUTO**3-DIGIT 112

F38 P1 11049

A K2 W 120 1000306090001 D

Make check payable to: NYC Water Board.
Please send payment in the
enclosed envelope to:

NYC WATER BOARD
PO BOX 11863
NEWARK, NJ 07101-8163

GRANDFIELD RLTY CORP
2675 E 66TH ST
BROOKLYN NY 11234-6848

PLEASE DETACH AND RETURN THIS PORTION WITH YOUR MAILED PAYMENT. PLEASE WRITE YOUR ACCOUNT NUMBER ON YOUR CHECK.

ACCOUNT NUMBER	BILL DATE	PAYMENT DUE BY	AMOUNT DUE	AFTER JUL 8, 2016 INTEREST CHARGES AT THE RATE OF 0.75% PER MONTH ARE INCLUDED.
10003-06090-001	Jun 10, 2016	Jul 8, 2016	\$ 1,243.36	

BILLING INFORMATION

Previous bill - Mar 10, 2016

\$2,960.37

Payment Received - Apr 6, 2016

Thank you

2,960.37-

PRIOR BALANCE

0.00

RATE: BASIC WATER AND SEWER

Meter number 115003979 From 3/27/16 To 6/9/16 Days 12600 Cubic Feet
Read type ACTUAL Prior Read 315600 Current Read 328200 Usage
12600 Cubic Feet = 126 Hundred Cubic Feet (HCF).

Total Usage 126 HCF
Water charge 480.06
Sewer charge 763.30

This bill reflects payments processed before Jun 10, 2016.
Your next bill date is scheduled for Sep 12, 2016.
Your meter(s) will be read during the preceding week.

Total amount due \$1,243.36

PLEASE PAY THIS AMOUNT

\$1,243.36

Please see the back of the bill for an explanation of the rates.

Service Address:
60 H 11 ST
BROOKLYN NY 11249-1912

Grandfield PAID 6/28/16
Please direct correspondence or calls to:
DEP/BCS CUSTOMER SERVICE
PO BOX 739055
ELMHURST, NY 11373-9055
(718) 595-7000

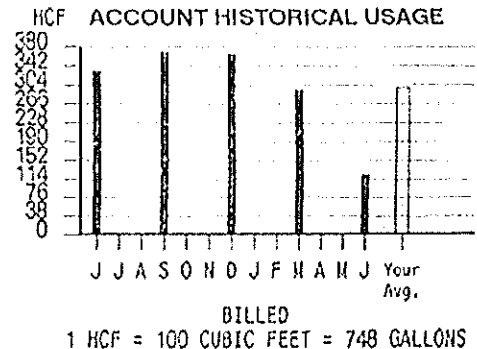
IMPORTANT MESSAGES

This billing period:

For meter 115003979
Your daily average usage = 1.33 HCF (995 GALLONS)
Your daily average cost = \$ 13.09

SAVE TIME AND PAPER, VISIT NYC.GOV/DEP AND SIGN UP FOR
MONTHLY EBILLING TO RECEIVE A \$10 CREDIT TODAY.

TO LEARN MORE ABOUT THE CITY'S WORLD-CLASS WATER SYSTEM, FOLLOW
US ON FACEBOOK AT WWW.FACEBOOK.COM/NYCWATER OR TWITTER AT
WWW.TWITTER.COM/NYCWATER.




**Department of
Finance**
Statement Details

PAGE 4

June 3, 2016
Grandfield Rly Corp.
54 N. 11th St.
3-02295-0099
Page 2

Billing Summary	Activity Date	Due Date	Amount
Outstanding charges including interest and payments			\$0.00
Finance-Property Tax		07/01/2016	\$42,763.58
Total amount due			\$42,763.58

Grandfield PAID 6/28/16

Tax Year Charges Remaining	Activity Date	Due Date	Amount
Finance-Property Tax		01/01/2017	\$42,763.58
Total tax year charges remaining			\$42,763.58
If you want to pay everything you owe by July 1, 2016 please pay			\$85,099.52
If you pay everything you owe by July 1, 2016, you would save:			\$427.64

Annual Property Tax Detail

Tax class 4 - Commercial Property	Tax rate		
Current tax rate	10.6560%		
Estimated market value \$2,108,000	Billable assessed value	Tax rate	Taxes
Tax before exemptions and abatements	\$802,620	X 10.6560%	= \$85,527
Tax before abatements			\$85,527
Annual property tax			\$85,527

The NYC Health Department would like to remind property owners that they must remove standing water, where mosquitos can breed in warm weather. For more information, please visit nyc.gov/health or call 311.

Home banking payment Instructions:

1. Log into your bank or online bill pay website
2. Add the new payee: NYC DOF Property Tax. Enter your account number, which is your boro, block and lot, as it appears here: 3-02295-0009. You may also need to enter the address for the Department of Finance. The address is P.O. Box 680, Newark, NJ 07101-0680.
3. Schedule your online payment using your checking or savings account

Did your mailing address change?

If so, please visit us at nyc.gov/changemailingaddress or call 311.

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

